

EXHIBIT 2

Claim# 10725-00218

PROOF OF CLAIM	
Name of Debtor	Case Number
<p><small>NOTE: See Reverse for List of Debtors and Case Numbers</small> This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</p>	
Name of Creditor and Address <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> 11321241001514 SANDI ER LIVING TRUST DATED AUGUST 29 2005 C/O ROBERT B SANDLER & PATRICIA D SANDLER TRUSTEES 8912 E PINNACLE RD BOX 591 SCOTTSDALE AZ 85255 </div>	<div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court or BMC Group in this case. <input type="checkbox"/> Check box if this address differs from the address on the envelope sent to you by the court. </div>
Creditor Telephone Number (902) 821-4873 Last four digits of account or other number by which creditor identifies debtor	<div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <p style="text-align: center;">DO NOT FILE THIS PROOF OF CLAIM FOR A SECURED INTEREST IN A BORROWER THAT IS NOT ONE OF THE DEBTORS</p> <p style="text-align: center;">If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again.</p> <p style="text-align: center;">THIS SPACE IS FOR COURT USE ONLY</p> </div>
<div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Check here if this claim replaces or amends a previously filed claim dated _____. </div> </div>	
<p>1 BASIS FOR CLAIM</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input checked="" type="checkbox"/> Money loaned </div> <div style="width: 45%;"> <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other (describe briefly) _____ </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Last four digits of your SS #: _____ Unpaid compensation for services performed from _____ to _____ (date) (date) </div> <div> <input type="checkbox"/> Unremitted principal <input type="checkbox"/> Other claims against servicer (not for loan balances) </div> </div>	
<p>2 DATE DEBT WAS INCURRED _____ 3 IF COURT JUDGMENT, DATE OBTAINED _____</p>	
<p>4 CLASSIFICATION OF CLAIM Check the appropriate box or boxes that best describe your claim and state the amount of the claim at the time case filed. See reverse side for important explanations.</p> <div style="display: flex;"> <div style="width: 45%;"> <p>UNSECURED NONPRIORITY CLAIM \$</p> <input type="checkbox"/> Check this box if a) the claim is not collateral or lien securing your claim, or b) your claim exceeds the value of the property securing it, or c) none or only part of your claim is entitled to priority. <p>UNSECURED PRIORITY CLAIM</p> <input type="checkbox"/> Check this box if you have an unsecured claim, all or part of which is entitled to priority. <p>Amount entitled to priority \$ _____</p> <p>Specify the priority of the claim:</p> <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B) <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,000)* earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier. 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5) </div> <div style="width: 55%;"> <p>SECURED CLAIM</p> <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). <p>Brief description of collateral _____</p> <div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ </div> <p>Value of Collateral \$ _____</p> <p>Amount of arrearage and other charges at time case filed included in secured claim if any \$ <u>25,000</u></p> <div style="margin-top: 10px;"> <input type="checkbox"/> Up to \$2,225* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a) (_____) </div> <p><small>* Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small></p> </div> </div>	
<p>5 TOTAL AMOUNT OF CLAIM AT TIME CASE FILED</p> <div style="display: flex; justify-content: space-between;"> <div> \$ _____ (unsecured) \$ <u>25,000</u> (secured) \$ _____ (priority) \$ <u>25,000</u> (Total) </div> </div>	
<input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.	
<p>6 CREDITS The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.</p>	
<p>7 SUPPORTING DOCUMENTS Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.</p>	
<p>8 DATE-STAMPED COPY To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.</p>	
<p>The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is actually received on or before 5:00 pm, prevailing Pacific time, on November 13, 2006 for each person or entity (including individuals, partnerships, corporations, joint ventures, trusts and governmental units).</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>BY MAIL TO BMC Group Attn: USACM Claims Docketing Center P.O. Box 911 El Segundo, CA 90245-0911</p> </div> <div style="width: 45%;"> <p>BY HAND OR OVERNIGHT DELIVERY TO BMC Group Attn: USACM Claims Docketing Center 1330 East Franklin Avenue El Segundo, CA 90245</p> </div> </div>	
<p>DATE 9/21/06</p>	<p>SIGN and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney if any)</p> <p><i>Robert B Sandler - Sandler Living Trust Dated 8/29/05</i></p>

THIS SPACE FOR COURT USE ONLY

Filed Date,
9/25/2006

LIVE ECF - Filing Of Claim

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U.S. Bankruptcy Court

District of Nevada

Notice of Electronic Claims Filing

The following transaction was received from BMC GROUP, INC , on 10/2/2006 at 10 53 AM PDT

Case Name: USA GOVERNMENT
Case Number: [REDACTED]
Creditor Name: SANDLER LIVING TRUST DATED AUGUST 29 2005
C/O ROBERT B SANDLER & PATRICIA D SANDLE
8912 E PINNACLE RD
BOX 591
SCOTTSDALE AZ 85255
Claim Number: [REDACTED] Claims Register
Total Amount Claimed.

The following document(s) are associated with this transaction

Document description.Main Document

Original filename: 10725_SandlerLivingTrust8-29-2005 pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=989277954 [Date=10/2/2006] [FileNumber=7356830-0]
[81cf8dc1a5ef32bc95efc1345bdfb1228b6acdf8367cc7ab0ff9f34773c2326b40a
a5b0e1041a7e69d5dc5229a2c9d9bbaa43dac103f96c9be8b485e83c308c]]

06-10725-lbr Notice will be electronically mailed to:

FRANKLIN C ADAMS franklin.adams@bbklaw.com, arthur.johnston@bbklaw.com

NANCY L ALLF nallf@parsonsbehle.com,
klawrence@parsonsbehle.com, thomas@parsonsbehle.com, ecf@parsonsbehle.com

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bkecf@nevadafirm.com, paltstatt@nevadafirm.com, sliberio@nevadafirm.com

BMC GROUP, INC evrato@bmcgroup.com,
ecf@bmcgroup.com, jmillers@bmcgroup.com, jbartlett@bmcgroup.com

KELLY J BRINKMAN kbrinkman@gooldpatterson.com,

THOMAS R BROOKSBANK tom@tombrooksbank.com, renee@tombrooksbank.com

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MATTHEW Q CALLISTER mqc@callister-reynolds.com, maggie@callister-reynolds.com

CANDACE C CARLYON ltreadway@sheacarlyon.com,

Jerry Katz
702-734-2400



TRANSACTION CONFIRMATION

**USA Capital Realty Advisors
4484 South Pecos Road
Las Vegas, NV 89121**

Phone:

**Robert B. Sandler
3661 Edmond Street
Las Vegas, NV 89103**

Shareholder Account: 13990

Transaction Details

USA Capital Diversified Trust Deed Fund

Transaction Amount: \$ 25,000.00

Transaction Date: 08/01/2003

New Balance: \$ 25,000.00

Transaction Type: Purchase

Dividend Disbursement: Pay Via Check

Units: 1.00

Remaining Units: 1.00

Very Katz

13990

THE LIMITED LIABILITY COMPANY MEMBERSHIP INTEREST UNITS PURCHASED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). SUCH INTERESTS MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED TO ANY PERSON AT ANY TIME IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT COVERING SUCH UNITS UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS OR AN OPINION OF COUNSEL SATISFACTORY TO THE MANAGER OF THE COMPANY TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED. IN ADDITION, IN NO EVENT MAY UNITS BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED TO ANY PERSON WHO IS NOT A RESIDENT OF NEVADA FOR A PERIOD OF NINE MONTHS FROM THE DATE OF THE LAST SALE THEREOF BY THE FUND.

SUBSCRIPTION AGREEMENT AND POWER OF ATTORNEY

USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
a Nevada limited liability company

The undersigned hereby applies to become a Member of USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, a Nevada limited liability company (the "Company"), and subscribes to purchase the number of Units herein indicated in accordance with the terms and conditions of the Operating Agreement attached as Exhibit A to the Offering Circular dated March 1, 2000, as amended or supplemented from time to time (the "Offering Circular").

1. REPRESENTATIONS AND WARRANTIES. The undersigned represents and warrants as follows:

(a) I have received, read and fully understood the Offering Circular and in making this investment I am relying only on the information provided in the Offering Circular. I have not relied on any statements or representations inconsistent with those contained in the Offering Circular.

(b) I understand that the Units are being offered and sold without registration under the Securities Act of 1933, as amended, in reliance upon the exemption from such registration requirements for intrastate offerings. I acknowledge and understand that the availability of this exemption depends in part upon the accuracy of the representations and warranties contained herein, which I hereby make with the intent that they may be relied upon by the Manager.

(c) My principal residence is in the State of Nevada. Except as hereafter provided, if I am acting as the trustee of a trust or on behalf of any other business entity, both the principal office and the principal place of business of such trust or other entity are located in the State of Nevada. If I am acting as the trustee or custodian of a Keogh plan, Individual Retirement Account or other retirement plan and I am not a resident of Nevada, then all of the following requirements are satisfied: (i) all participants or beneficiaries of such retirement plan have their principal residence in Nevada; (ii) all investment decisions regarding such plan are made by such resident participants and/or beneficiaries; and (iii) I perform only ministerial functions with respect to the investment of plan assets, with no independent authority or discretion to make investment decisions.

(d) I understand that Units may not be sold or otherwise disposed of without the prior written consent of the Manager, which consent may be granted or withheld in its sole discretion, and that any such transfer is also subject to other restrictions described in the Offering Circular and in the Operating Agreement. I have liquid assets sufficient to assure myself (i) that investment in these Units will not cause me undue financial difficulties and (ii) that I can provide for my current needs and possible personal contingencies or, if I am the trustee of a retirement trust, that the limited liquidity of the Units will not cause difficulty in meeting the trust's obligations to make distributions to plan participants in a timely manner.

(e) I understand that an investment in the Units involves certain risks.

(f) I am 18 years of age or older.

(g) By virtue of my own investment acumen and experience or financial advice from my independent advisors (other than a person receiving commissions by reason of my purchase of Units), I am capable of evaluating the risks and merits of an investment in the Units.

(h) I am purchasing the Units solely for my own account, and not with a view to or for a sale in connection with any distribution of the Units.

(i) Either (i) I have a net worth (exclusive of home, furnishings and automobile) of at least \$50,000 and an annual gross income of at least \$50,000; or (ii) I have a net worth (exclusive of home, furnishings and automobile) of at least \$100,000; or (iii) I am purchasing as a trustee or other fiduciary for an individual that meets the requirements of (i) or (ii) above or for an account or plan whose donor or plan participant meets the requirements of (i) or (ii) above.

2. POWER OF ATTORNEY. I hereby irrevocably constitute and appoint the Manager as my true and lawful attorney-in-fact, with full power and authority for me, and in my name, place and stead, to execute, acknowledge, publish and file:

(a) The Operating Agreement, the Articles of Organization of the Company and any amendments thereto or cancellations thereof required under the laws of the State of Nevada;

5. THE UNDERSIGNED AGREES TO INDEMNIFY, DEFEND (BY COUNSEL REASONABLY ACCEPTABLE TO THE INDEMNIFIED PARTY) AND HOLD THE COMPANY, ITS MANAGER, MEMBERS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, AND DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL ATTORNEYS' FEES WHICH SHALL BE PAID AS INCURRED) WHICH ANY OF THEM MAY INCUR, IN ANY MANNER OR TO ANY PERSON, BY REASON OF THE FALSITY, INCOMPLETENESS OR MISREPRESENTATION OF ANY INFORMATION FURNISHED BY THE UNDERSIGNED HEREIN OR IN ANY DOCUMENT SUBMITTED HEREWITH.

6. **INVESTOR INFORMATION.** (Please print or type)

Name and Address of Investor or Beneficial Owner:

Robert B. Sandler

3661 Edmond Street

Las Vegas, NV 89103

City

Zip Code

(702) 271-4345

Telephone (Home)

()

Telephone (Office)

(1) My net worth (exclusive of home, furnishings and automobile) is at least \$50,000 and my annual gross income in the prior year was at least \$50,000:

X
Yes

No

OR

(2) I have a net worth (exclusive of home, furnishings and automobile) of at least \$100,000:

Yes

No

OR

If I am purchasing as a trustee or other fiduciary, the individual donor, or plan participant meets the requirements of (1) or (2) above:

Yes

No

Please complete the following, as applicable. (Investments by more than one of the following entities, even if related to each other or controlled by the same person, require completion of separate Subscription Agreement.)

Identifying Information

Monthly Income to Be:[1]

Individual:

Name Robert B. Sandler
 Address 3661 Edmond Street
Las Vegas, NV 89103
 Soc.Sec.No. 476-46-7767

Compounded
 or Distributed X

Individual Retirement Account ("IRA"):

Trustee _____ Compounded _____
 _____ or Distributed _____
 Address _____
 Acct.No. _____ Tax I.D. No. _____

Pension or Profit Sharing Trust ("ERISA Plan"):

Trustee _____ Compounded _____
 _____ or Distributed _____
 Address _____
 _____, NV _____
 Acct.No. _____ Tax I.D. No. _____

Corporation, Trust or Other:

_____ Compounded _____
 _____ or Distributed _____
 Account No. _____ Tax I.D. No. _____

- [1] The election whether to receive monthly cash distributions, or to allow earnings to compound, is irrevocable and no changes by the investor will be allowed for the first year after an investor's admission to the Company. Thereafter, an investor may, on an annual basis and subject to the terms and conditions contained in the Offering Circular and Operating Agreement, elect to switch how distributions are treated. The Manager, however, reserves the right to immediately commence making cash distributions to

(b) Any other certificates, instruments and documents as may be required by, or may be appropriate under, the laws of any state or other jurisdiction in which the Company is doing or intends to do business; and

(c) Any documents which may be required to effect the continuation of the Company, the admission of an additional or substituted Member, or the dissolution and termination of the Company.

The power of attorney granted above is a special power of attorney coupled with an interest, is irrevocable, and shall survive my death or the delivery of an assignment of Units by me; provided, that where the assignee of Units has been approved by the Manager for admission to the Company as a substituted Member, such power of attorney shall survive the delivery of such assignment for the sole purpose of enabling the Manager to execute, acknowledge, file and record any instrument necessary to effect such substitution.

3. **ACCEPTANCE.** This Subscription Agreement and Power of Attorney (this "Agreement") will be accepted or rejected by the Manager within fifteen (15) days of its receipt by the Company. Upon acceptance, this subscription will become irrevocable, and will obligate the undersigned to purchase the number of Units indicated below, for the purchase price of \$25,000 per Unit. The Manager will return a countersigned copy of this Agreement to accepted subscribers, which copy (together with my cancelled check) will be evidence of my purchase of Units.

4. **PAYMENT OF SUBSCRIPTION PRICE.** The full purchase price for Units is \$25,000 per Unit, payable in cash concurrently with delivery of this Agreement. I understand that my subscription funds will not bear interest until I am admitted to the Company.

[ALTERNATIVE PARAGRAPH 4 - to be used if units are purchased through the contribution of an existing loan:

"The full purchase price for Units is \$25,000 per Unit, payable by the undersigned's contribution to the Company of an existing real estate secured loan in exchange for Units. This loan contribution is subject to all of the terms and conditions of the Offering Circular and Operating Agreement. This loan contribution, and the undersigned's purchase of Units in exchange therefor, will be consummated when all documents and acts required by the Manager to transfer the loan to the Company have been signed, recorded and taken. These documents and acts include, without limitation, an endorsement of the original note that evidences the loan, a recorded assignment of the deed of trust that secures the loan and an endorsement to the lender's title insurance policy whereby the underlying title company recognizes the transfer of the note and deed of trust to the Company. The amount of Units sold in exchange for the loan contribution shall be equal to the outstanding principal balance of the loan, together with any accrued but unpaid interest."]

previously compounding investors to ensure that the Company remains exempt from the application of the Plan Asset Regulations. Investors have the right to withdraw from the Company, subject to certain limitations. (See discussion in Offering Circular under "ERISA Considerations," "Summary of Operating Agreement" and "Withdrawal from Company.")

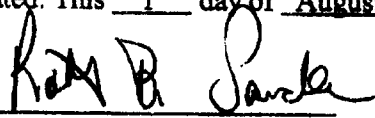
Number of Units to be Purchased: 1

Total Purchase Price (\$25,000 per Unit): \$ 25,000

Make check payable to "USA Capital Diversified Trust Deed Fund, LLC" and return with this Subscription Agreement to c/o USA Commercial Mortgage Company, 4484 South Pecos Road, Las Vegas, Nevada 89121.

IN WITNESS WHEREOF, the undersigned hereby agrees to become a Member in USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, a Nevada limited liability company, upon the terms and conditions set forth in the Operating Agreement.

Dated: This 1 day of August, 2003.



Robert B. Sandler (Beneficial Owner)

(Beneficial Owner)

(Trustee)

(Trustee)

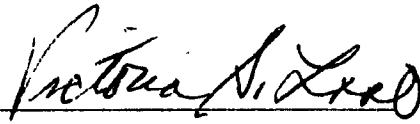
[IF IRA OR ERISA PLAN, THEN BOTH TRUSTEE AND BENEFICIAL OWNER(S) MUST SIGN.]

ACCEPTANCE

The foregoing Subscription Agreement is hereby accepted by USA Capital Diversified Trust Deed Fund, LLC.

Dated: _____, 2003
USA Capital Diversified Trust Deed Fund, LLC,
a Nevada limited liability company

By: USA Capital Realty Advisors, LLC
a Nevada limited liability company
Its Manager

By: 
Its: _____